RECEIPTS OF UNIVERSITY FIANANCE IN KARNATAKA: A COMPATATIVE STUDY

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Abstract:-Receipts of university finance have significant implication on the administration of universities. The nature, pattern of financing, the sources of receipts, the pattern of allocation of finances and the methods of balancing have their impact on the organizational effectiveness of universities in quantitative as well as qualitative term. The present study is mainly based on secondary data. The total five receipts have been identified such as Block Grant, University Receipts, Debt head, Development Grant, UGC grant. The analysis of there was conducted using percentage, and average growth of finance for the study. Finally findings and suggestions were offered.

Keywords: University Fianance , organizational effectiveness , higher education and research.

INTRODUCTION

University being a non-trading organization devoted to the cause of higher education and research. Provision for adequate finance is the first and foremost factor influencing its effectiveness. Though the university is a corporate organization by its administrative procedures, it depends mostly on funds from the government and its own resources. Normally, Universities do not raise their own capital through the issue of stocks and share or any other creditor ship securities and as such they are left with no flexibility in raising and controlling funds mix except certain University receipts like fees, publication, income from land and building etc. As far as state universities are concerned, development funds are provided by the UGC and state governments. Whereas, maintenance activities are financed by state Governments only. If the UGC and state Governments could provide funds adequately and in time, the major problem of raising finance could be sorted out effectively. The other part of Financial Management will be in respect of improving internal sources of funds. This portrays the funds position in state Universities1.

OBJECTIVES OF THE STUDY

The following objectives are set for this study.
1.To know the sources of receipts and their trend of respective universities.
2.To understand the effectiveness of receipts of finance and
3.To offer suggestions in the lightings of findings.

METHODOLOGY:

In order to carry out this study the following methodology has been adopted.
The present study researcher purposefully we have selected surviving universities are Gulbarga and Mangalore University for comparison. This present study purely based on secondary

data. To focus on sources of university finance, data relating to both surviving universities are collected from Annual accounts and Budget books for the period of five years from 2008-09 to 2012-13. The collected data is systematically Compiled, Classified, Tabulated, Analyzed and Interpreted. Using percentage on five head of receipts and also found out average of the receipts of respective universities of the study. Accordingly the meaningful analysis was carried out.

SCOPE OF THE STUDY:
This paper is expected to produce results and analysis along with findings which will help the respective university to plan and formulate different policies and programmes and also to develop action plans. This in turn bring incremental improvement in the performance and administration of university finance.

JUSTIFICATION OF THE STUDY
The study selected is justified on the following reasons.
1. The Gulbarga University and Mangalore university have been established in the year 1980,
2. Both universities are in the same state and.
3. Both universities are established to provide traditional education.

DATA ANALYSIS AND INTERPRETATION
To measure the receipts position and to find out what has changed during the study period of five years (2008-09 to 2012-13), we had drawn tables comparing between Gulbarga University and Mangalore University respectively.

TABLE NO-01
Total Receipts position of Gulbarga University Gulbarga During the year 2005-06 to 2012-13 (Rs. in crore).

year	Block Grant	% Block Grant	University Receipts	% University Receipts	Debt Head	% Debt Head	Development Grant	% Development Grant	UGC Grant	% UGC Grant	Total Receipts
2008-09	15.30	32.09	17.01	35.68	0.79	1.66	8.84	18.54	5.74	12.04	47.68
2009-10	17.41	29.74	24.65	42.10	0.59	1.01	7.16	12.23	8.74	14.93	58.55
2010-11	21.87	34.62	22.21	35.16	0.59	0.93	8.17	12.93	10.33	16.35	63.17
2011-12	22.00	39.34	24.83	44.40	0.76	1.36	3.07	5.49	5.26	9.41	55.92
2012-13	25.30	37.57	31.21	46.35	0.31	0.46	3.39	5.03	7.13	10.59	67.34
% Average		34.67		40.74		1.10		10.84		12.66	

Sources: Annual Accounts of the university for respective University.

TABLE NO-2
Total Receipts position of Mangalore University Mangalore During the year 2005-06 to 2012-13(Rs. in crore)

year	Block Grant	% Block Grant	University Receipts	% University Receipts	Debt Head	% Debt Head	Development Grant	% Development Grant	UGC Grant	% UGC Grant	Total Receipts
2008-09	12.48	23.98	22.78	43.77	6.10	11.72	4.05	7.78	6.64	12.76	52.05
2009-10	14.83	22.21	26.81	40.16	11.51	17.24	3.30	4.94	10.31	15.44	66.76
2010-11	20.76	27.67	33.37	44.47	7.60	10.13	2.59	3.45	10.72	14.29	75.04
2011-12	20.00	24.02	36.01	43.25	7.18	8.62	4.45	5.34	15.62	18.76	83.26
2012-13	22.99	24.99	39.85	43.31	10.66	11.59	6.05	6.58	12.46	13.54	92.01
% Average		24.57		43.00		11.86		5.62		14.96	

Sources: Annual Accounts of respective University.

Table No.01 & 02 exhibits total receipts position of Gulbarga University and Mangalore University during the study period commenced from 2008-09 to 2012-13. From the above table it is found that the Mangalore University total receipts were higher than the Gulbarga University's total receipts for the respective years of the study period. To speak specifically, the Mangalore University's total receipts have increased from 52.05 crores in 2008-09 to 92.01 crores in 2012-13 registering a growth of 77 per cent. Whereas, Gulbarga University's total receipts have increased from 47.68 crore in 2008-09 to 67.34 crores in 2012-13 registering a growth of 41 per cent. Out of the total receipts of Gulbarga University, the Block Grant received from the state Government went on increasing from 15.30 crores in 2008-09 to 25.30 crores in 2012-13 which was higher than the Grant given to Mangalore University for the same period.

The university receipts and its percentage significantly higher in case of Mangalore University i.e. Rs. 22.78 to Rs. 39.85 and 43.77% to 43.31% as compared to Gulbarga university i.e. Rs.24.65 to Rs. 31.21 and 35.68% to 43.35%. The Debt Head and its percentage significantly higher in case of Mangalore University i.e. Rs.6.10 to 10.66 and 11.72% to 11.59% as compared to Gulbarga university, so the debt is very meager in Gulbarga university i.e. Rs. 0.79 to Rs. 0.31.

Average growth of Development grant of Gulbarga University was 10.84 percent, where as in Case Of Mangalore University it was 5.62 percent. This brings the inference that no uniformity is found in giving development grant to universities by state Government. When we compare the receipts of Universities from UGC, it indicates that an UG receipt of Gulbarga University was less compared to Mangalore University. The UGC grant in aid and its percentage significantly higher in case of Mangalore University i.e. Rs.6.64 to Rs.12.46 and 12.76% to13.54 % is higher when compare to Gulbarga university, so the UGC grant in aid and its percentage poor receipts in Gulbarga university amount is Rs. 5.74 to `7.13 and its 12.04% to 10.59%.

FINDINGS:
The following are the important findings of the present study.
1.Source of finance which are with the Gulbarga University Gulbarga are not with Mangalore University Mangalore.
2.The overall receipts of the two Universities differ markedly.
3.Incomes from endowment and donation to universities have lost their reference in financing universities. This is explicitly found in both the universities.
4.Number of investment which matures could not be invested timely in both of the universities. Due to this, there are loss to Universities.
5.The fees collected from the students have not increased in proportion to changes in inflation rates over the study period.
6.Both the Universities have not properly undertaken the reconciliation cash balance with Bank balance.

SUGGESTION
The following suggestions are offered in the light of findings.
1.A receipt of finance for the universities is Karnataka should be undertaken.
2.To improve the sources of finance, a greater thrust be given for endowments and donation.
3.Matured investments of respective universities should be timely reinvested to earn the income from investments.
4.Automatic revision of fees in response to change in inflation rates should be undertaken by the universities as and where due either or gap of nominal receipts and real receipts should be borne by the state government.
5.Regular and timely reconciliation of cash balance with Bank balance of respective universities should be suggested to follow strictly.
6.Strict direction should be given to Universities to recover the advances given to officials of the university and colleges and same may be intimated to state Government by preparing the statement

of recoveries very frequency.

7.Financing of university by state government should be under taken on the basis of Student admitted.

8.Statement receipts and payment and balance sheet should be prepared uniformly by all universities.

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